

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7756**

**BILL NUMBER:** HB 1389

**NOTE PREPARED:** Feb 27, 2007

**BILL AMENDED:**

**SUBJECT:** School Deregulation.

**FIRST AUTHOR:** Rep. Welch

**FIRST SPONSOR:** Sen. Alting

**BILL STATUS:** As Passed House

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill prohibits the Department of Education, "DOE", from basing school accreditation and employment of school personnel on the guidelines set out under the federal No Child Left Behind Act.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** The bill prohibits the Department of Education from basing school accreditation and employment of school personnel on the guidelines set out under the federal No Child Left Behind Act without the prior approval of the General Assembly.

Currently schools are accredited by meeting the following criteria.

1. Complied with the required legal standards.
  - a. Health and safety requirements.
  - b. Minimum instruction time.
  - c. Staff-student teacher ratio requirements.
  - d. Curriculum offering requirements.
  - e. Instructional staff requirements.
  - f. ISTEP participation requirements.
  - g. Mandatory annual assessment requirements.
  - h. Accurate and timely submission of all reports.
  - i. Production of an annual performance report requirements.
  - j. Strategic and continuous school improvement and achievement planning requirements.

2. Complied with the school improvement plan requirements either by completing a continuous and strategic school improvement and achievement plan or by implementing a quality-focused approach to strategic and continuous school improvement, such as the criteria for the Malcolm Baldrige National Quality Award or Education.
3. Meet school improvement and performance requirements under the Indiana accountability system. A school must be in the exemplary, commendable, or academic progress categories for full accreditation. School improvement is based on increases in achievement of students as they progress through school.

2005-2006	Improvement				
Performance	Exemplary Progress	Commendable Progress	Academic Progress	Academic Watch (Priority)	Academic Probation (High Priority)
> or = 90%	Exemplary School				
> or = 80%	> or = 1%	Commendable School			
> or = 70%	> or = 3%	> or = 2%	> or = 1%	<1%	
> or = 60%	> or = 4%	> or = 3%	> or = 2%	<2%	
> or = 50%	> or = 5%	> or = 4%	> or = 3%	<3%	<0%
> or = 40%	> or = 6%	> or = 5%	> or = 4%	<4%	<1%
<40%		> or = 6%	> or = 5%	> or = 3%	<3%

The current standards are different from those specified under the federal No Child Left Behind standards. The bill should have no fiscal impact.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Department of Education.

**Local Agencies Affected:**

**Information Sources:** Department of Education.

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.